44

DEPARTMENT OF STATE INSTRUCTION

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1377

FOR DC USE ONLY

NO.: CA-3266 November 16, 1954

SUBJECT: Draft General Agreement for Technical Cooperation Between the United States and Libya

TO: The American Embassy, TRIPOLI

RPTD INFO: The American Embassy, BENGHAZI

Enclosed is the draft prepared by the Department and FOA/W of a new General Agreement for Technical Cooperation which the Embassy is hereby authorized to negotiate with the Libyan Government and to sign in the absence of any significant deviation from the draft. Any Libyan objections involving a significant deviation from the draft should be referred to Washington with appropriate recommendations by the Embassy and USOM/L.

It is, of course, hoped that the Libyans will not attempt to apply the "first arrival" principle used in the United States-Libyan Base Agreement to the customs exemption sought in the present Agreement. The Embassy will naturally refrain from calling attention to the customs provision of the Base Agreement. If the Libyans make the comparison, perhaps the best argument to use is that customs exemption is a necessary inducement to the recruiting of personnel for the technical assistance program and therefore really a benefit to Libya.

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Enclosure:

Draft General Agreement for Technical Cooperation.

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GENERAL AGREEMENT
FOR TECHNICAL COOPERATION
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE UNITED KINGDOM OF LIBYA

The Government of the United States of America and the Government of the United Kingdom of Libya,

Considering that the peoples of the United States and of Libya have a common interest in economic and social progress and that their cooperative efforts to exchange technical knowledge and skills will assist in achieving that objective, and

Considering that the interchange of technical knowledge and skills will strengthen the mutual security of both peoples and develop their resources in the interest of maintaining their security and independence, and

Considering that the Government of the United States and the Government of Libya have agreed to join in promoting international understanding and good will and in maintaining world peace, and to undertake such action as they may mutually agree upon to eliminate causes for international tension,

Have agreed as follows:

ARTICLE I. TECHNICAL COOPERATION PROGRAMS AND PROJECTS

1. The Government of the United States and the Government of Libya undertake to cooperate with each other in the interchange of technical knowledge and skills and in related activities designed to contribute to the balanced and integrated development of the economic resources and productive capacities of Libya.

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The furnishing of any technical assistance by the Government of the United States to the Government of Libya under this agreement will be based on requests to be made by the Government of Libya and approved by the Government of the United States, and will be subject to the terms and conditions prescribed by any applicable United States legislation. The obligations of the Government of the United States in connection with the activities conducted pursuant to this Agreement shall be carried out by such agency or agencies as that Government may designate for that purpose.

2. The Government of Libya agrees to receive personnel to be provided by the Government of the United States and acceptable to the Government of Libya, who will discharge the responsibilities of the Government of the United States under this Agreement. The Government of the United States may constitute such personnel as a mission which shall bear such title as the Government of the United States may designate and which may be headed by an official who shall be selected and assigned by, and whose title shall be designated by, the Government of the United States. The Government of Libya will give full cooperation to such personnel and provide them such access within Libya as may be necessary for observation and survey of the carrying out of this Agreement, including the use of assistance furnished under it.

3. Particular technical cooperation programs and projects may be carried out pursuant to the provisions of such separate written agreements or understandings as may be concluded between the two Governments. Such subsidiary agreements may be executed by representatives of any agency of the Government of the United States referred to above and of any agency of the Government of Libya

Libya or by other duly designated representatives of the respective Governments. These agreements may establish such administrative arrangements and agencies, and may make provision for such contributions on behalf of the two Governments as may be necessary and consistent with the laws of the two countries. Program and project agreements may include provisions relating to policies, administrative procedures, the disbursement of and accounting for funds, the contributions of each party to the cost of the program or project, the furnishing of detailed information of the character described in Article II, paragraph 1, and such other matters as may be considered appropriate.

4. The Government of Libya through its duly designated representatives, in cooperation with duly designated representatives of the Government of the United States and with representatives of appropriate international organizations, will endeavor to achieve to the maximum extent possible full coordination and integration of all technical cooperation programs which may be carried on in Libya.

5. The Government of Libya will cooperate in the mutual exchange of technical knowledge and skills with other countries participating in technical cooperation programs associated with that carried on under this Agreement.

6. The Government of Libya will endeavor to make effective use of the results of technical cooperation programs and projects carried on in Libya in cooperation with the Government of the United States.

7. The Government of Libya agrees to bear a fair share of the cost of technical cooperation programs and projects.

ARTICLE II. INFORMATION AND PUBLICITY

1. The Government of Libya will communicate to the Government of the United States in a form and at intervals to be mutually agreed upon:

a. Information

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a. Information concerning projects, programs, measures and operations carried on under this Agreement, including a statement of the use of funds, materials, equipment, and services provided thereunder;

b. Information regarding technical assistance which has been or is being requested of other countries or of international organizations.

2. Not less frequently than once a year, the Governments of the United States and Libya will make public in their respective countries periodic reports on the technical cooperation programs carried on pursuant to this Agreement. Such reports shall include information as to the use of funds, materials, equipment and services.

3. The Governments of the United States and Libya will endeavor to give full publicity to the objectives and progress of the technical cooperation program carried on under this Agreement.

ARTICLE III. RIGHTS AND EXEMPTIONS

1. Any supplies, materials, equipment or funds introduced into Libya by the Government of the United States for purposes of any program or project conducted pursuant to this Agreement shall be admitted into Libya free of any customs duties and import taxes and shall be exempt from any other taxes, service charges, investment or deposit requirements, and currency controls.

2. All personnel (other than citizens and residents of Libya) whether employees of the Government of the United States, individuals and employees of public or private organizations under contract with the Government of Libya or its agencies or the Government of the United States or its agencies, who are present

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present in Libya to perform work in connection with this Agreement and whose entrance into the country has been approved by the Government of Libya, shall be exempt from income and social security taxes levied under the laws of Libya with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States, from property taxes on personal property intended for their own use, and, except as may otherwise be agreed between the two Governments, from the payment of any tariff or duty upon personal or household goods brought into Libya for the personal use of themselves and members of their families; provided that such exemption from any tariff or duty shall not apply to such personal or household property which any of such personnel may sell in Libya to any persons not entitled to such exemptions.

ARTICLE IV. EXCHANGE AND PROTECTION OF UNITED STATES FUNDS

1. Funds introduced into Libya by the Government of the United States for purposes of this Agreement may be converted into Libyan pounds at the highest rate of Libyan pounds to United States dollars which, at the time the conversion is made, is not unlawful.

2. The two Governments will establish procedures whereby the Government of Libya will so deposit, segregate or assure title to all funds allocated to or derived from any United States aid program that such funds shall not be subject to garnishment, attachment, seizure or other legal process by any person, firm, agency, corporation, organization or government.

ARTICLE V. GENERAL PROVISIONS

1. This Agreement shall enter into force on the date on which it is signed. It shall remain in force until 90 days after the receipt by either Government

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Government of notice in writing of the intention of the other to terminate the Agreement.

2. The two Governments shall, upon the request of either of them, consult regarding any matter relating to the application or amendment of this Agreement.

3. Subsidiary program and project agreements and other agreements and arrangements which may be concluded may remain in force beyond any termination of this Agreement, in accordance with such arrangements as the two Governments may make.

4. This Agreement supersedes the Point Four Agreement for Technical Cooperation between the United States and Libya, signed at Tripoli on January 21, 1952. Program and project agreements subsidiary to the Point Four Agreement of January 21, 1952, shall terminate on March 31, 1955 unless previously terminated by mutual agreement or in accordance with their terms, or unless extended by mutual agreement.

5. This Agreement is complementary to and does not supersede existing agreements between the two Governments except as provided in paragraph 4 of this Article and except insofar as other agreements are inconsistent herewith.

DONE in duplicate, in the English and Arabic languages, at Tripoli, this day of 1954.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

Ambassador of the United States of America

FOR THE GOVERNMENT OF THE UNITED KINGDOM OF LIBYA

Minister of Foreign Affairs